JOSH HARDER

10TH DISTRICT, CALIFORNIA

COMMITTEE ON APPROPRIATIONS
LABOR, HEALTH AND HUMAN SERVICES,
EDUCATION, AND RELATED AGENCIES

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

COMMITTEE ON AGRICULTURE

BIOTECHNOLOGY, HORTICULTURE, AND RESEARCH LIVESTOCK AND FOREIGN AGRICULTURE

Congress of the United States House of Representatives Washington, DC 20515

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Gavin Newsom Governor 1303 10th Street, Suite 1173 Sacramento, CA 95814

Dear Governor Newsom,

I write today to urge you to immediately cut the Gasoline State Excise Tax, halt future increases to the tax, and to work with the California Legislature to explore other legislative options for addressing the unsustainable rising cost of gas.

This morning, thousands of families across the Central Valley paid more than \$70 to fill a standard fifteen-gallon tank on their way to work. That astounding number is due to the fact that the <u>average price</u> of a gallon of gas in our state is \$4.70, the highest in the nation and \$1.52 more than the average price at this time last year. High gas prices disproportionately impact working and middle class communities like mine in the Central Valley where families commute on a regular basis to get to work and are already struggling with low wages and high costs of living.

The Gas tax went up from 50.5 to 51.1 cents this summer to keep up with inflation. Next year that cost will likely increase again because of inflation. The cost of gas <u>accounts</u> for a significant portion of total household expenses, so raising the price of gas raises the price of living for families barely making ends meet.

The purpose of the gas tax's enactment in 2017 was to raise revenue for long overdue infrastructure projects at a time when our state desperately needed those funds. However, our state's finances are now in a significantly better place than they were four years ago when the gas tax was enacted. With a predicted state <u>budget surplus</u> of up to \$31 billion dollars this year and the passage of a <u>historic infrastructure bill</u> that will send tens of billions of federal dollars to infrastructure projects throughout California, it's time for the gas tax to be reevaluated. This budget surplus and the federal resources on their way far exceeds the annual revenue of the gas tax and should allow the state to conduct infrastructure repairs without working families footing the bill.

Additionally, <u>California</u> is estimated to receive the following federal funding from recent infrastructure law:

- \$25.3 billion over five years for repairing roads in the state that are in poor condition;
- \$4.2 billion over five years for repairing bridges in the state that are in poor condition;
- \$3.5 billion for water infrastructure and eliminating lead pipes in the state;
- \$1.5 billion for airport infrastructure;

- \$384 million over five years to build a network of chargers for electric vehicles;
- At least \$100 million to install more broadband coverage; and
- \$84 million over five years for wildfire protection.

Without an immediate stop to increasing the gas tax, California families will get hit twice as hard as those in other states, especially as inflation increases the price of goods. My constituents simply can't afford another gas tax increase. That is why I urge you to cut the gas tax, stop future increases during these trying times, and explore other legislative options to get prices under control.

Sincerely,

Josh Harder

Member of Congress